GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1299
ANSWERED ON:07.03.2008
FREE USE OF ATM ACROSS THE BANK
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Will the Minister of FINANCE be pleased to state:

(a) whether the Government proposes free use of Automated Teller Machines (ATMs) across the bank affiliations;

(b) if so, the details thereof;

(c) whether all the banks have been connected with the National Finance Switch (NFS);

(d) if so, the details thereof; and

(e) if not, the reasons therefor and the time by which all the banks will be connected with the NFS?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) & (b) : Reserve Bank of India have placed an approach paper on its website, inviting public comments in this regard. The approach is to enable bank customers to use ATMs of all the banks free of charge w.e.f. 1st April 2009 (using debit/ATM Cards). According to the approach paper by 31st March 2008, the existing service charges (when an ATM of another banks is used) should be brought down to the level not exceeding Rs. 20/-.

(c), (d) & (e) : As on 31st January 2008, 28 banks are members of National Financial Switch (NFS) and a total of 17,391 ATMs of the member banks are part of the NFS network. The membership of NFS is not mandatory.